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***New City Hall Construction Creates Needed Jobs, As Private Development
Struggles***
Restrepo Consulting Group Releases Preliminary Job Creation Estimates

LAS VEGAS, NV (December 5, 2009) - Restrepo Consulting Group LLC ("RCG") recently prepared an independent analysis of the number of construction jobs potentially created by the proposed Las Vegas City Hall.

According to John Restrepo, Principal of RCG, "As we all know, Southern Nevada has been more severely impacted by the recession than most of the rest of the nation. Today, we're among the nation's leaders in unemployment. Depending on whose statistics you believe, our population has essentially not grown in the last two years. And the region's commercial and residential property values and markets have plummeted, causing our once-booming construction industry to shed tens of thousands of jobs, with major residential, commercial and gaming projects being cancelled or mothballed all over town."

Restrepo continued, "Unlike past recessions, when the Las Vegas economy was among the first to bounce back, I'm among those who believe it will take Southern Nevada longer than almost any other part of the country to recover from the Great Recession, because of our largely discretionary spending-based economy."

RCG's ongoing research strongly indicates that as the recession lingers here, it has become increasingly obvious that more needs to be done to stimulate our local economy, especially job creation. No doubt, there *is* an ongoing debate among economists on what the most effective way to do this is: tax cuts and/or government investment.

Elena Shampaner, RCG Project Director, also notes that, “In the type of recession we are experiencing, public investment can make up for the decrease in private investment and consumption. The greater this investment, the further income/wages, employment and production are increased, mitigating job losses and hopefully improving confidence. At least that’s what a growing number of economists believe. It’s essentially what John Maynard Keynes, the father of modern economics, postulated during the Great Depression – and he has been proven more correct than he has been proven wrong, especially now.’

In RCG’s view, on Dec. 2, the City of Las Vegas provided a much needed job-creating stimulus by voting to proceed with plans to finance and develop a new City Hall, which City leaders view as the linchpin to the future evolution and sustainability of the downtown area.

We would like to note that RCG is periodically retained by the City to prepare a variety of studies. That does not, however, take away from the fact that during severe economic downturns like we are seeing today, when the private sector, for a variety of reasons, is not investing in the economy, the public sector is the “investor of the last resort”, especially when it comes to job creation.

RCG’s findings related to the job creation potential of the new City Hall project are summarized below:

- The proposed City Hall’s currently estimated \$145 million price tag will potentially generate an additional \$70 million of economic activity, or spending, in the local economy by the time the project is completed. The additional spending equates to a “multiplier” of .48 or \$.48 per each \$1.00 spent to build the City Hall.
- City Hall’s construction will employ approximately 475 construction workers each year during the two-year construction period. Also, an additional 266 indirect jobs per year will potentially be created in the local economy. This represents another .56 indirect annual jobs per each construction job– jobs that are sorely needed in Southern Nevada.
- Construction wages and benefits related to building City Hall are expected to be nearly \$33 million per year. This equals about \$69,000 (2009 dollars, including benefits) per employee, per year during the project’s construction. The annual community-wide indirect wages and benefits that will be potentially produced total \$13 million. This results in a multiplier of \$.41 in yearly indirect wages and benefits for each dollar in wages and benefits paid to construction workers.

Per Shampaner, “By building a new city headquarters during this historic and unprecedented downturn, the City is creating and saving much needed jobs, making a long-term commitment to the community, saving on construction costs and, perhaps, finishing the project faster than it could during busier economic times, which we all hope will return in the future.’

Restrepo concludes, “In the end, the most powerful point in favor of the City’s plan is the most basic one of creating and saving jobs. With an unemployment rate reaching nearly 20%, when discouraged and forced part time workers are included, you don’t have to be an economist to know that we’ve never needed good local jobs, and the confidence and consumption they bring, more than we do now. Finally, our analysis did not include the “multiplier effects” of potentially catalyzing private development downtown, because of the project, which are significant.”

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RCG is a full service, regional economics and financial consulting firm advising the real estate and gaming industries, as well as federal, state, and local governments <http://www.rcg1.com/>. The firm is based in Las Vegas, and provides strategic management advice to clients throughout the Western U.S.

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